Corporate Reengineering and E-Performance Appraisal (e-PA) of Organizations in Nigeria
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ABSTRACT
The paper examines Corporate Reengineering and Electronic Performance Appraisals (e-PA) of organizations in Nigeria. The purpose of this paper is to empirically investigate whether corporate reengineering provides some sort of positive or negative outcomes to Electronic Performance (e-PA) in organizations in Nigeria. Documentary and survey research methods are employed. Populations of interest are Human Resources Managers of both Government and private sectors, all in Rivers State. Data were drawn from 199 Human Resources Managers. After data cleaning, 86 copies of the questionnaires were used for analysis. The Multiple Regression Analysis Statistical Technique was used to analyze the data. The paper finds that there is a positive relationship between Information Technology and Perceived Usefulness; there is a positive relationship between Information Technology and Perceived-Ease-Of-Use. The paper recommends amongst others that: companies should apply self-service systems that provide employees and management the possibility to manage their own information online; software should be provided to allow employees observe parts of the online evaluations systems that points out various laments such as strengths and weakness; employment of e-performance appraisal electronic tool when adequately employed will invariably improve the corporations e-performance assessment process; corporation must provide a log in and password access to show a clear, transparent and confidential factor.

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Introduction
From time to time, organizations find that its initial methods of operations are no more in vogue or may become obsolete. As the world has become so dynamic as a result of technological changes, customer desires, product innovations, employees evaluations and needs as product mixes change to adapt current development.

Process reengineering is the fundamental rethinking and strategic radical redesign of business process in order to bring about dramatic improvements in performance (Heizer and Render, 2001). The result of strategic and effective reengineering depends on reevaluation of the purpose of the process and at the same juncture questioning both purpose and its underlying issues. Business process reengineering ignores all ideas of how the process is currently done and concentrates on improvements in cost, time performance quality, service, speed and customer value. This process can be a new way of using Web-based testing services, for instance, in admitting students in Nigerian universities and Joint Admissions Matriculation Board (JAMB) as opposed to the traditional form of admitting students to Nigerian universities, to mention but a few. It is obvious that any process is a candidate for a radical change.

In this regard, managers become in charge of specific “functions” or specialized areas of responsibility, those activities or processes that cross from one function or specialty to another may be neglected.

Electronic Performance Appraisal (e-PA) is the business process of using the relevant and necessary technology. For example, the use of relational e-HRM, in order to create system, as well as, processes through which employees are evaluated and rated according to their performance on tasks that are needed within an organization.

Research Problem
This slogan in corporate organizations is crystally strategic and clear: “You either innovate or die”. Creating innovation in order to improve processes is what corporate organizations would like to achieve in Nigeria. The problem to be researched is whether corporate reengineering brings any positive or negative outcome to e-PA in organizations in Nigeria.

Theoretical Foundation
Business reengineering is created to Michael Hammer, a management expert in the 1990’s (Chase, et al, 2004 in Hammer, 1990). Hammer pioneered the reengineering movement and defined it as the fundamental rethinking and radical redesign of business processes to achieve dramatic improvements in critical contemporary measures of performance, such as cost, quality service and speed.

The concept of reengineering has been in existence for nearly two decades and organizations have attempted it in small fashions (Chase, et al 2004). There are seven principles or rules for reengineering and integration (Hammer, 1990). Performance Appraisal (PA) is the assessment of how an employee performs on his or her job. This process focuses on two main purposes – appraisal serves as an Administrative purpose; and it provides information for salary making, promotions, lay off decisions, as well as, providing
documentation that may justify these decisions in the court of law (Bateman and Snell, 2002). Amongst the issues relational e-HRM deals with are, online performance appraisal systems (e-PA). According to Gueutal (2003), the fastest growing e-HRM term today is employee self-service systems that provide them the possibility to manage their information in an online network.

One of the most challenging components of Human Resource Management (HRM) is performance appraisal system (Allen and Mayfield, 1983). Performance appraisal is a process that requires documentation and communication. However, the tendency in recent years has been to formalize the appraisal process; whereas in years past, an informal approach with little record keeping was sufficient, now more documentation is required. Organizations usually formalize part of the process by using a standard form (Messah and Kamencu, 2011).

Smith (2000), asserts that, appraisal deals with the identification of cause and effect relationships through which employment and labour policies are based or can be based, and are a routine procedure through which organizations evaluate their employees. For an effective appraisal system, employees must believe that they have an opportunity for a meaningful input into the appraisal process (Messah and Kamencu, 2011). Such input may range from having the opportunity to challenge or refute the evaluation one receives to judging one’s own performance through self-appraisal. Without minding the nature of employee input, it is obvious that affording employees a voice in their own appraisal enhances the perceived fairness of the appraisal system as legitimate and constructive means of judging their performance contributions (Messah and Kamencu, 2011). According to Gilliland and Langdon (1998), without the perception of fairness, “a system that is designed to appraise, reward, motivate, and develop can actually have the opposite effect and create frustration and resentment.

Study Variables and Research Framework

In this paper, Corporate Reengineering (CR) is our predictor variable with Internet Technology (IT) as its dimension while Electronic Performance Appraisal (e-PA) system in our criterion variable, with its measures as Perceived Usefulness and Perceived-Ease-of-Use.

Corporate Reengineering (CR)

This is a methodology for introducing a fundamental change in strategic business processes, usually supported by an information system (Turban, et al. 2004).

Internet

A self-regulated network of computer networks connecting millions of businesses, individuals, government agencies, schools, and other organizations all over the world.

E-Performance Appraisal

Electronic Performance Appraisal (e-PA) refers to the process of using the necessary technology to create systems and process through which the employees are evaluated and rated, according to their performance on the specific tasks needed within a company (Gouzalez, et al. 2011).

Perceived Usefulness

This is an individual’s perceived benefit that could come from adopting a new technology (Ozuru, 2012). Perceived-ease-of-use: An individual’s perceptions of how difficult it will be to learn how to use a new technology (Ozuru, 2012).

In line with our research variables, our theoretical model for the study is expressed in the functional relationship as shown hereunder.

\[ E-PA = f(CR) \]
\[ CR = IT \]
\[ CR = f(IT) \]

Where:

- E-PA = Electronic Performance Appraisal
- CR = Corporate Reengineering
- IT = Internet Technology
- PU = Perceived Usefulness
- PEOU = Perceived-ease-of-use

Fig 1. Conceptual Framework on Corporate Reengineering and E-Performance Appraisal in Nigeria

Source: Desk Research, 2013

Fig 2. Operational Framework on Corporate Reengineering and E-Performance Appraisal in Nigeria

Source: Desk Research, 2013

Hypotheses

Based on our research framework, the following hypotheses are formulated

H01: There is no significant relationship between Internet technology and Perceived Usefulness in Organizations in Nigeria.

H01: There is no significant relationship between Internet Technology and Perceived-Ease-of-use in Organizations in Nigeria.

Review of Relevant Literature

Generally, most organizations base their performance reviews on “what” goals and “how” goals. The “what” goals look into specific objectives that the individuals should
accomplish, for instance, increase sales by 20%. The “how” goals show the means through which an employee will achieve the “what” goals, which are mainly expressed in line with competencies and behaviors (Caligiuri, 2000).

Today, digital economy is sweeping globally and stands very effective in achieving organizational goals. In managing technology, organizational transformation stands for the radical change of an organization from one form to the other, stemming from the introduction of technology (Hammer, 1990). In this regard, transforming takes place by subjecting basic business processes to high scrutiny. This is achieved by recognizing those processes that are fundamental to the organization’s mission, reconstituting them in an efficient manner that cuts across functional lines as we noted earlier in our introduction section. It also produces defined business outcomes; and constructing single person, complete jobs, with data gathered once where the work is performed and where parallel activities are linked together rather than disintegrated (Davenport and Short, 1993; Hammer, 1990).

The power of technology should be used to: --- radically redesign our corporate business process in order to achieve dramatic improvements in performance --- not to automate an existing process, but to enable a new one (Hammer, 1990).

In this terms, technology creates these new organizational arrangements; those that are flatter, with knowledge at the bottom rather than at the top (bottom-up approach); those that consist of self-organizing and managed work groups rather than command hierarchies; ones that use technological tools to augment human skills, as well as, abilities rather than enhance inequalities among workers; and those that use technology in order to link workers together as to enable them share communication (Drucker, 1988). This translates that the technology infrastructure is installed first, and the organizational arrangement follow thereafter.

Corporate Reengineering (CR) stresses on how To break away from the ‘old rules’ about how we organize and conduct business: It involves recognizing and rejecting some of them and finding imaginative new ways of accomplishing work (Hammer, 1990).

This procedure involves identifying the strategic business process that will add value to the organization, as well as, results that will be tangible for users, and reorganizing them to be efficient whole person jobs that rely to a far extent on technology for communication, information, action and coordination. The resulting jobs are cross-functional and should be optimized across the organization. Finally, unnecessary processes are discarded in order to realize performance benefits (Gonzalez, 2011).

Categories of Performance Measures

The three basic categories of performance measures as we conceptualized herein are: traits, behaviours and results.

Traits Appraisals

This measure involves subjective judging regarding employee performance. An effective performance appraisal system must ensure that the system focuses on performance variables as opposed to personal traits. This aspect of traits deals with concerns like initiative, leadership and attitude in which raters are required to indicate to what extent does each of the trait components an employee possess. Due to the understanding that trait scales tend to be ambiguous and subjective, they often lead to personal bias and sometimes, may not be suitable for gathering useful information. This trait scale, however is not very valid but it is easy to develop and implement.

Behavioural Appraisal

Though, subjective as in trait appraisal, it concentrates more on observable aspects of employee’s performance; and is developed in response to problems arising from trait appraisals. The scales associated with this are more focused on specific, prescribed behaviours which ensure that all parties understand the aspects of the ratings that are being measured. This behavioural appraisal is helpful in providing feedback.

Result Appraisal

This form of appraisal is more objective than the other two that are subjective, and focuses on production data such as sales volume (for a sales person), units produced (for a line worker), or profits (for a manager). An approach to results appraisals – Known as management by objective (MBO) involves a subordinate and a supervisor agreeing on specific performance goals through which they can develop a plan which describes the time and criteria for deciding whether the objectives have been reached or not (Bateman and Snell, 2002).

Rules Guiding Corporate Reengineering

Corporate reengineering is nothing but strategic means of achieving significant improvements in processes so that modern customer requirements concerning quality, speed, innovation, customization, services etc. are adequately met. Hammer (1993), proposed seven principles or rules for reengineering as well as integration.

Rule 1. Organize around outcomes, Not Tasks

If various specialized tasks had been previously performed by different individuals, these tasks should be conveniently combined into a single job. This could be done by an individual “case worker” or a “case team”. The newly created job should involve all the steps in a process that creates a well-defined outcome. Organizing around outcomes eliminates the needs for hands-off, resulting in greater speed, productivity, and customer responsiveness, and further provides a single knowledgeable base of contact for the customer.

Rule 2. Make those who use the output of the process perform the process

Here, work should be executed where it makes meaning to do it. This allows people who are closest and familiar to the process perform the work, which shifts across traditional intra- and inter-organizational boundaries. For example, employees can make some of their own purchases without going through purchasing. Customers can perform minor and simple repairs themselves, and suppliers can be required to manage parts of the inventory. Regrouping work in this manner eliminates the need to coordinate the performers and users of a process.

Rule 3. Combine Information-Processing work into the Real Work that produces the information

In this aspect, it stipulates that the individuals who collect the information should as well be responsible for processing it, because this reduces the need for another group to reconcile and process that information. This in effect reduces errors by cutting down the number of external contact points for a process.

Rule 4. Treat Geographically Dispersed resources as though they were centralized

Information technology in today’s world makes the concept of clustered centralized/decentralized operation a reality. For example, centralized database and telecommunication networks now allow companies to link with separate units or individual field personnel, providing them with the power of economies of scale while maintaining...
their personal flexibility and responsiveness to customers (Chase, et al, 2004).

Rule 5. Link Parallel Activities Instead of integrating their Rights

This notion of integrating only the outcomes of parallel activities that must eventually come together is the primary cause for network, high costs, and delays in the final outcome of the entire process (Chas, et al, 2004).

Rule 6. Put the Decision Point where the work is performed and build control into the process

Making decisions should be part of the work performed. This has become possible today as a result of a more educated and knowledgeable force work in addition to decision-aiding technology.

Rule 7. Capture Information Once-at the Source

All possible and relevant information should be collected and captured in the company’s online information system only once - at the source where it was created. This approach reduces and avoids unnecessary and wrong data entries and reentries that are costly (Chase et al. 2004). In order to achieve these principles, Corporate reengineering as mentioned above, are significantly based on a common platform of the innovative use of information technology by the organization (Chase, et al. 2004).

Performance Appraisal System

Performance Appraisal (PA) is the process of assessing an employee’s performance on the job within a specified period of time in an organization. According to Bateman and Snell (2002), there are two basic purposes for undertaking performance appraisal. In the first instance, it serves as an administrative purpose by providing information for making salary, promotions, and layoff decisions, as well as, providing documentation that can justify these decisions in the court of law. Secondly, it serves as growth and developmental purpose for the employees in the organization.

Performance – Related Beliefs

According to Bateman & Snell (2002), reinforcement theory explains the procedures through which factors in work environment affect individual’s behavior. In expectancy theory, the individual’s work efforts lead to some levels of performance which results in one or more outcomes for the individuals. People develop two important beliefs connecting these three events – expectancy, which links efforts performance and instrumentality, which links performance to outcomes.

Performance appraisal methods and mechanisms have been used by organizations over a long period of time in order to evaluate the performance of the employees working in organizations. Performance appraisal is also known as audit function of an organization concerning the performance of individuals, groups and entire divisions.

Appraisal regularly records an assessment of an employee’s performance potential and development needs. An appraisal is an opportunity that allows an inventory over the content of work, work loads and volumes ability to look back on previously achieved results during the reporting periods and agreed objectives for the next. Hofstede (1997) asserts that, one vital purpose for appraisal is a basis for employees to take disciplinary action in the form of denying salary increase or to justify an employee’s – termination.

Performance appraisals assists in transfers and job assignments, planning for personnel, assist in identifying goods, reinforcing the authority structure as well as identifying widespread organizational developmental needs. Mekanna, et al. (2002), define performance appraisal as any personnel decision that affects the status of employees concerning retention, termination, promotions, demotion, transfer, salary increment or decreases, or admission into a training programme. The essence of performance appraisal affects the observation and recall of behavior, as well as the evaluation of performance. Jawahar and Stone (1997), asserted that the purpose of appraisal is the most important fact for understanding performance appraisal processes and outcomes.

Electronic Performance Appraisal (e-PA) System

Information technology (IT) tools refer to the technological application along with the infrastructure to support traditional business processes. On this premise, Electronic Performance Appraisal (e-PA) is employment of necessary technology in order to create systems and processes through which the employees are evaluated, assessed and rated based on the performance on tasks needed within the organization (Gonzalez, et al 2012).

General Features of e-PA

For the purpose of online performance evaluations, it is vital to look at the several features that need to be fulfilled in order to provide useful and valuable feedbacks (Piggot-Irvine, 2003).

These features include:

- Strengths and weakness. According to Piggot-Irvine (2003), appraisals should have the capability to highlight employees’ strengths and weaknesses and at the same time, show the path for prospective development of the individual(s).

- Information used: In order for the process to be considered reliable, the information used should be objective rather than being “loose and casual”. Lack of objective data could result to perceived lack of transparency and injustice among employees.

- Transparent and confidential. The evaluation should be transparent and confidential. The appraiser should be strictly confidential with all the information assessed and gained. Further, the appraiser must ensure the respondents that the data supplied will not be tampered with (Piggot-Irininde 2003).

- Mutual Respect and Trust: In many processes, people demand mutual respect and trust and where this is lacking, the process dies. Significantly, mutual respect and trust should both enhance smoothness in running of the affairs of the organization and must be practiced in the whole year as opposed to waiting till the evaluation period (Appelbaum, et al. 2011).

Organizations in Nigeria and E-Performance Appraisal

Corporate reengineering has changed businesses that are still dwindling in the old economy (non-digitized) to new economy (digitized) and businesses have changed the traditional employee practice and capability. Organizations invariably have recognized or beginning to recognize that there are shifts from the old economy to the new (Turban, et al 2004).

To meet up with this change, organizations in Nigeria must rely on communication technology in order to check and enhance employee performance and productivity. The challenge for most organizations is that Performance appraisal impacts on other Human resource system and organizational strategy. The effectiveness of an organization’s performance appraisal strategy is a requirement for achieving success in its selection, training, as well as, employee motivation practices. At a strategic organizational level in Nigeria, there is the need for a rapid and effective organizational change in today’s dynamic economic environment that demands employees to
constantly revisit their performance with the goals and set objectives of the organization.

The need to constantly reposition performance appraisals have characterized several organizations to struggle with getting their employees to embrace the ideology and practices that are directed at enhancing employee performance. Most of these organizations have not really focused on fullness and effectiveness of e-performance appraisal in Nigeria, for example, Agip Oil Nigeria, Plc: Nigeria National Petroleum Corporation (NNPC), Chevron, Shell Oil Company, University of Port Harcourt, Rivers State University: State of Science and Technology, Nigerian Navy, Liquefied Natural Gas (LNG), Smith Kline, Crystal Blend Group, First Bank, United Bank for Africa, Syke Bank, Eco Bank, Nigeria Police Force, etc. on her appraisal times, only carry out this process.

Research Methodology

The objective of this paper is to empirically investigate whether corporate reengineering provides any positive or negative outcome to electronic performance appraisal (e-PA) in organizations in Nigeria. The methods of research adopted are documentary and survey methods. The populations of interest are Human Resource Managers from both private and government sector, all in Rivers State. Data were drawn from strategically selected 100 Human Resources Managers. Accordingly, 100 copies of questionnaire were distributed and after retrieving, 86 were duly and approximately completed to reflect the information required for analysis.

Data obtained from the field were analyzed using multiple regression statistical technique with the aid of the statistical Package for Social Science (SPSS) version 14.0 and a 5-point Likert Scale was used in questionnaire design (Walton, 1975).

Results and Discussions

The dimension of Corporate Reengineering – Internet technology (IT), was regressed against the two measures of E-performance Appraisal (E-PA) – Perceived Usefulness (PU) and Perceived-Ease-Of-Use (PEU). The aim was to ascertain if corporate re-engineering dimension significantly correlates with the e-performance appraisal measures; and to achieve this, the multiple regression was used in this analysis.

Results

Regression Result for Hypothesis One

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<th>R</th>
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<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>Durbin-Watson</th>
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<td>.755</td>
<td>.507</td>
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</table>

a. Predictors: (Constant), X1 (Internet technology)
b. Criterion variable: Y1 (Perceived Usefulness)

ANOVA

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<th>Df</th>
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<th>F</th>
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</tr>
</tbody>
</table>

a. Predictors: (Constant), X1 (Internet technology)
b. Criterion variable: Y1 (Perceived Usefulness)

Discussion

Explanation of some terms

IT - Internet Technology
PU - Perceived Usefulness
PEOU - Perceived-Ease-Of-Use
b0 - This is the interpretation of the regression model. It is expressed as the difference between what is projected and the actual outcome of the regression result.
b1 - This is the intercept of the predictor variable (i.e PU). It shows what happens to the criterion variable (i.e. y) as a result of a change in the predictor variable (i.e. PU). Therefore bi is the coefficient of PU.
U - This is the stochastic term. It simply means other variables which are important to the regression but were not represented. I the regression model

\[ H_0: \beta_1 + \beta_2 PU + U = \beta_1 + U \]

The result shows that the coefficient of regression 0.755, explains 75.5% of the changes in the criterion variable leaving only 24.5% to other factors. Again, the result shows that there is a positive relationship between IT and PU. A unit increase in Internet Technology increases the Perceived Usefulness by 45.6% and vice versa. Equally, the t-test and f-test show that
the coefficient and regression are statistically significant at 5% level of significance while Durbin-Watson shows that there is absence of serial correlation of the first other among the variables used. We therefore reject null hypothesis one and conclude that there is a significant relationship between Technology and its Perceived Usefulness in organizations in Nigeria.

\[ H_{02}: IT = b_0 + b_1\text{PEOU} + U_i = IT = 63.053 + 0.515\text{PU} + U_i \]  
\[ t = 2.035; f = 5.01; d = 2.986; R^2 = 0.881 \]

The result further shows that the coefficient of regression 0.881, explains 88.1% of the changes in the criterion variable leaving only 11.9% to other factors. Again the result shows that there is a positive relationship between information technology (IT) and Perceived-Ease-of-Use (PEOU). A unit increase in Internet Technology increases the Perceived-Ease-of-Use by 45.6% and vice versa. Equally, the t-test and f-test show that the coefficient and regression are statistically significant at 5% level of significance while Durbin-Watson shows that there is absence of serial correlation of the first other among the variables used. As we observed in H01, we therefore reject null hypothesis two and conclude that there is a significant relationship between Internet Technology and its and Perceived-Ease-of-Use in organizations in Nigeria.

**Conclusion and Recommendations**

**Conclusion**

Corporations that employ good e-performance appraisal (e-PA) system are bound to have good performance employees that will in turn lead to positive outcomes. The use of electronic performance appraisal (e-PA) will underline the employee’s weakness, as well as strengths, and at the same time direct them towards their objectives. This is useful in corporations as it helps them to present useful feedback and guide personnel towards their goals. Cost reduction is also noted in the use of e-PA.

Process re-engineering, increased competition and technological changes have transformed the traditional appraisal for promotion to electronic performance appraisal promotion system. Organizations today are depending on communication technology in order to monitor and improve employee performance and productivity. The electronic appraisal systems are being used by some organizations in Nigeria to monitor employee performance.

Performance appraisal system plays an important role in the effective promotion and management of employees in every viable organization to save their resources as a result of economic downturn.

**Recommendations**

- More countries should apply self-service that will give employees and management the possibility to manage their own information online.
- The employment of e-performance appraisal electronic tool most invariably improves the corporation’s assessment process.
- They should provide software that will allow employees to observe parts of the online evaluations systems that points out various elements as strengths and weakness as noted in the conclusion.
- Corporations must have their guidelines which employees and management must follow.
- Integration between employees and managers must exist in order to clarify doubts and agree on outcomes.
- There must be a log in and password access to show a clear transparent and confidential factor.

**Implications**

The managerial implication of this paper is that e-performance appraisal has brought good outcomes both to the employees and employers. The e-performance appraisal speed is increased with the use of electronic performance appraisal technology. E-PA is widely used in international corporations.

**References**


